

South Coast Air Quality Management District



2019

Carl Moyer

PROGRAM

Application Deadline
June 4, 2019
1:00 p.m.

Financial Incentives for
Purchasing Zero and
Low-Emission
Heavy-Duty
Vehicles, Engines
and
Equipment



Carl Moyer Program 2019



What is the Carl Moyer Program?

Since 1998, the Carl Moyer Program (CMP) has provided incentive funding to owners of diesel engines and equipment to go beyond regulatory requirements by retrofitting, repowering, or replacing their engines with newer and cleaner models. The CMP has been a successful and popular air pollution reduction program. The CMP plays a complementary role to California's regulatory program by providing incentive funds to obtain surplus NOx, PM and ROG emission reductions.

Approximately \$30 million in funding is available for eligible projects within the SCAQMD's jurisdiction, which includes Orange County and the major portions of Los Angeles, Riverside and San Bernardino counties. The SCAQMD expects to receive additional funds for this year's CMP, which may include funds in support of the Community Air Protection Program and the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program.

Who is Eligible?

Any owner of an eligible heavy-duty on-road or off-road project, marine vessel or locomotive, public or private can apply. The project must result in surplus emission reductions beyond current regulations and meet a cost-effectiveness threshold for NOx, PM and/or ROG emission reductions. Projects must operate at least 75% of the time (mileage or hour-based) within the SCAQMD jurisdiction. To be eligible for CMP funds, projects must meet the criteria described in the 2017 Carl Moyer Program Guidelines and any subsequent advisories to the Guidelines. Projects must be in compliance with applicable CARB regulations, including the not-to-exceed cost-effectiveness limit, and be in full operation within eighteen (18) months of contract execution.



Carl Moyer Program Overview

The Carl Moyer Program fills a critical niche in California's strategy to achieve clean air. In the past 20 years, the CMP has provided \$390 million in funding for projects that have resulted in significant emission reductions, including 7,954 tons per year of NOx, 294 tons per year of ROG, and 232 tons per year of PM throughout the South Coast region.

What's New?

In June 2018, the California Governor approved SB 856 that allocates funds in support of the AB 617-Community Air Protection Program. Under this bill, \$245 million are allocated for financial incentives to reduce stationary and mobile source emissions. The project types listed in the bill include: mobile sources (including projects eligible under the CMP) with zero emission priority, charging or fueling infrastructure, especially for medium and heavy-duty vehicles, stationary sources and other projects that may be included in the Community Emission Reduction Plans. The SCAQMD anticipates the availability of these funds for this year's CMP.

The SCAQMD also anticipates receiving additional funds from the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program for eligible projects under this solicitation.

AB 1274 (O'Donnell) was signed by the Governor in October 2017 and resulted in the postponement of smog checks on new vehicles from Years 6 to 8, starting on January 1, 2019. The revenues from this bill will also be directed to the CMP.



What Types of Projects Qualify?

ON-ROAD

On-road vehicles include heavy-duty trucks and buses with gross vehicle weight ratings (GVWR) greater than 14,000 lbs., transit vehicles, solid waste collection vehicles, public agency and utility vehicles, emergency vehicles, and other vehicle types on a case-by-case basis. All on-road projects must generate surplus emission reductions to qualify for a grant. Fleets must demonstrate compliance with applicable CARB regulations. Eligible project types include vehicle replacement and repower/conversion projects; on-road retrofit projects will be considered on a case-by-case basis. Applicants will be required to demonstrate compliance with applicable laws, including labor laws.

OFF-ROAD

Off-road equipment include propulsion engines greater than 25 horsepower on mobile off-road equipment. Off-road projects must demonstrate compliance with applicable CARB regulations. The off-road equipment category includes, but is not limited to: construction equipment, agricultural tractors, marine engines, cargo handling equipment, shore power and locomotives. Portable equipment are not eligible for CMP funding.

1. Construction project types include, repower with a cleaner emission-certified engine, retrofit with a verified diesel emission control strategy, and replacing equipment with an engine certified as meeting the current off-road emission standards.
2. Zero emission cargo handling equipment operating at seaports or intermodal rail yards, such as rubber-tired gantry (RTG) cranes either converting or replacing existing diesel-powered cranes with zero-emission equipment.
3. Marine vessel projects include engine repower with cleanest available technology.
4. Shore power projects within port locations must be surplus to CARB's At-Berth Regulation and approved on a case-by-case basis.
5. Locomotive projects for new locomotives and replacement engines must be certified to Tier 4 standards.

INFRASTRUCTURE

The 2017 update to the CMP Guidelines provides a new funding opportunity for infrastructure projects that will enable the deployment of near-zero and zero emission heavy-duty vehicles and equipment to support the State's air quality goals. Projects that install fueling or charging infrastructure to power alternative-fueled or zero-emission heavy-duty vehicles or equipment are now eligible for CMP funding consideration by the SCAQMD. Eligible projects may include: battery charging stations, alternative fueling stations using a renewable fuel source, shore power, and other projects on a case-by-case basis.



How will Applications be Evaluated?

All applications will be evaluated based on the criteria in the 2017 Carl Moyer Program Guidelines. The cost-effectiveness of each project will be calculated by the SCAQMD to determine if the project meets the cost-effectiveness limit(s) of the program. Cost-effectiveness is a measure of dollars provided to a project for each ton of NO_x, ROG and PM₁₀ emissions reduced. Each project will also be evaluated to determine if it is located within a disadvantaged or low-income community. Projects will be prioritized for funding based on cost-effectiveness and location within a disadvantaged or low-income community.

How is the Size of a Carl Moyer Program Grant Determined?

Carl Moyer Program grants are determined based on the amount of emission reductions that will be achieved by the project, the cost-effectiveness of the project, and any applicable source category or other limitations, such as the State funding caps, identified in the 2017 Carl Moyer Program Guidelines.

Cost-Effectiveness Limit

All projects must meet the cost-effectiveness limit(s) of the Carl Moyer

Program. A project's cost-effectiveness is determined based on the annualized cost of the project and the amount of NO_x, ROG and PM₁₀ emission reductions that will be achieved by the project. Projects that involve the purchase of a vehicle/engine/equipment meeting the current emission standards are subject to a cost-effectiveness limit of \$30,000 per weighted ton of emissions reduced. If the project involves the purchase of an advanced technology vehicle, engine or equipment (such as a zero emission technology or vehicle/equipment with an engine certified at or below the cleanest certified optional standard level), the project will be evaluated using a two-step calculation that involves a cost-effectiveness limit of \$100,000 per weighted ton of emissions reduced beyond those achieved by the current emission standards.

When are Applications Due?

All applications must be received either electronically through our new CMP Online Application Program or on paper (including the original plus 3 complete copies of the application package is required) with submittal to the SCAQMD headquarters by no later than 1:00 p.m. on Tuesday, June 4, 2019. The preferred method of delivery for this solicitation is through the SCAQMD CMP Online Application Program.

To apply online, please visit:

<https://carlmoyeronline.aqmd.gov>.

Paper applications must be directed to:

Procurement Unit

South Coast

Air Quality Management District

21865 Copley Drive

Diamond Bar, CA 91765

Faxed or emailed applications will not be accepted.



SCAQMD Staff Contacts

Staff are available to answer questions and provide assistance with applications

On-Road Heavy-Duty Vehicles/Emergency Vehicles

Victor Juan (909) 396-2374, vjuan@aqmd.gov
Mei Wang (909) 396-3257, mwang@aqmd.gov

Off-Road Compression Ignition Equipment

Ping Gui (909) 396-3187, pgui@aqmd.gov
Walter Shen (909) 396-2487, wshen@aqmd.gov

Cargo Handling Equipment/Electrification

Greg Ushijima (909) 396-3301, gushijima@aqmd.gov

Marine Vessels

Ping Gui (909) 396-3187, pgui@aqmd.gov

Shore Power

Greg Ushijima (909) 396-3301, gushijima@aqmd.gov

Locomotives

Greg Ushijima (909) 396-3301, gushijima@aqmd.gov
Walter Shen (909) 396-2487, wshen@aqmd.gov

Infrastructure

George Wu (909) 396-2533, gwu@aqmd.gov
Mei Wang (909) 396-3257, mwang@aqmd.gov

Schedule of Carl Moyer Program Workshops:

Attendance at a program workshop is recommended, but not mandatory. Training for the CMP Online application program will be included in these workshops.

On-Road Heavy-Duty Vehicle/ Infrastructure/Marine Vessels/ Shore Power/CHE Electrification Workshop

Wednesday, April 10, 2019

10 a.m. to Noon
Port of Los Angeles - Board Room
425 South Palos Verdes Street
San Pedro, CA 90731

Off-Road/Construction/ Agricultural Equipment/ Engines Workshop

Wednesday, April 17, 2019

10 a.m. to 1 p.m.
Coachella Valley Mosquito & Vector
Control District, Board Room
43420 Trader Place
Indio, CA 92201

General Workshops

Wednesday, April 24, 2019

9:00 a.m. to Noon
SCAQMD Headquarters,
Conference Room CC6
21865 Copley Drive
Diamond Bar, CA 91765

Wednesday, May 8, 2019

9:00 a.m. to Noon
SCAQMD Headquarters,
Conference Room CC6
21865 Copley Drive
Diamond Bar, CA 91765

Thursday, May 2, 2019

9:00 a.m. to Noon
SCAQMD Headquarters,
Conference Room CC6
21865 Copley Drive
Diamond Bar, CA 91765

For additional information about SCAQMD's Carl Moyer Program, please visit: www.aqmd.gov/moyer



Website Link to the 2017 Carl Moyer Program Guidelines

<http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm>

Website Links to CARB Rules that Affect CMP Eligibility

(Please check the appropriate website for applicable CARB regulations and compliance dates)

On-Road Private (Truck and Bus)

<http://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm>

Public/Utility Fleets

<http://www.arb.ca.gov/msprog/publicfleets/publicfleets.htm>

In-Use Off-Road (CI Engine)

<http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>

Harbor Craft

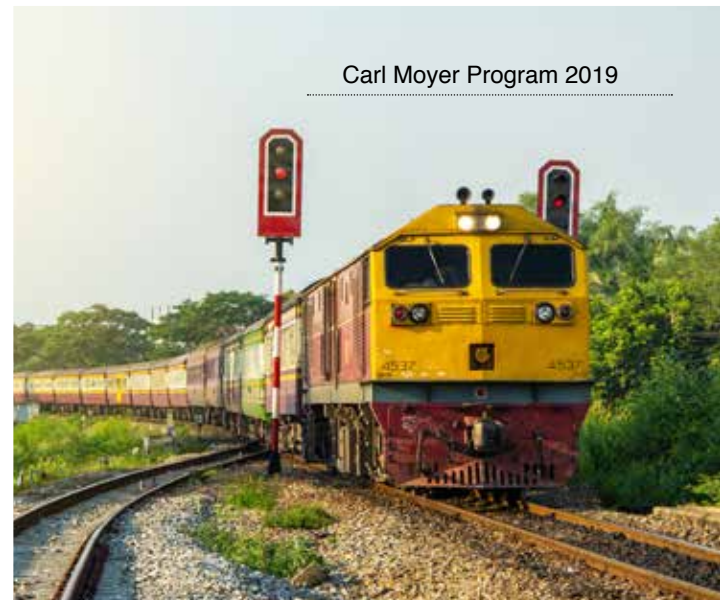
<http://www.arb.ca.gov/ports/marinevess/harborcraft.htm>

Cargo Handling Equipment

<https://www.arb.ca.gov/ports/cargo/cargo.htm>

Shore Power

<http://www.arb.ca.gov/ports/shorepower/shorepower.htm>





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Air Quality
Management District**



21865 Copley Drive
Diamond Bar, CA 91765-4178

RETURN SERVICE REQUESTED